



Policy Title	BUILD Bassano – Residential Vacant Land Development Incentive Policy
Authority	Administration
Approved (Dates/M#)	Amended April 11, 2023 (M#TOB69/23)
Policy Number	P-TOB66/004-23
Review	To be reviewed by November 1, 2023
Reviewed by/date	April 11, 2023

Policy Statement

To advance the vision to be the most attractive and affordable urban community under 2,500 in Alberta where industry leaders want to invest, where tourists come for a new experience, and where people choose to live, work, and play, we commit to residential housing and development incentives to stimulate growth and to limit the housing shortage.

Purpose Statement

The Town has passed multiple strategies that aim to activate the community and local economy over time. It is important that our community has a complete housing stock to serve a diverse population.

The purpose of this development incentive is:

1. To stimulate residential development in Bassano.
2. To ensure there is quality housing options for people that choose to live and work in Bassano.
3. To improve the housing market and variety of housing stock in Bassano.
4. To help solve the rental shortage in Bassano.
5. To support local businesses and industry.
6. To encourage investments that will grow Bassano.

Definitions

Chief Administrative Officer (CAO) – means the administrative head of the municipality.

Assessor – means the contacted entity that provides assessment services to the Town.

Council – means the elected body of the Town.

Land Use Bylaw 921/21 – mean a bylaw passed by the municipality that governs the use of lands which is subject to change.

Tax Credit – means a non-cash value municipal tax credit that is non-transferrable and applied to a residential tax roll as a development incentive.

Town - means the incorporated municipality of Bassano.

Vacant land – means a publicly owned residential land suitable for immediate development.

Responsibility

It is the responsibility of the CAO to ensure this policy is implemented.

Vacant Land

The Town holds title to thirteen (13) parcels of land publicly listed for sale and development as described below. Vacant land will be sold for development on a first come, first served basis.

Civic Address	Legal Address	Land Use District
813 Centre Street Close	Plan 951 0543; Block 3; Lot 2	R1
317 – 9 th Avenue	Plan 051 0383; Block 29; Lot 44	R1
421 – 9 th Avenue	Plan 021 1563; Block 28; Lot 45	R1
505 – 9 th Avenue	Plan 081 4620; Block 27; Lot 42	R1
517 – 9 th Avenue	Plan 081 4620; Block 27; Lot 44	R1
527 – 9 th Avenue	Plan 081 4620; Block 27; Lot 46	R1
531 – 9 th Avenue	Plan 081 4620; Block 27; Lot 47	R1
810 – 5A Avenue	Plan 151 0415; Block 52; Lot 3	RM
814 – 5A Avenue	Plan 151 0415; Block 52; Lot 4	RM
818 – 5A Avenue	Plan 151 0415; Block 52; Lot 5	RM
805 – 5A Avenue	Plan 151 0415; Block 27; Lot 16	RM
801 – 5A Avenue	Plan 151 0415; Block 27; Lot 15	RM
826 – 4 th Avenue	Plan 771 1039; Block 2; Lot 14	R1

Process

1. This is a termed development incentive. The term begins after completing the legislative steps to notify the public that lands will be sold under fair market value and petition requirements. The date in which this will be complete without receipt of a petition is June 9, 2023. The policy shall remain active for 365 days, being June 9, 2024
2. Each parcel of vacant land is available for purchase and development in accordance with LUB 921/21. Each parcel of vacant land has a fair market value. The list price shall be reduced during the term of this policy as follows:
 - a. Vacant land zoned Residential (R1) may be purchased for five thousand dollars (\$5,000.00) – *fair market value averaged \$45,000.*
 - b. Vacant land zoned Residential Manufactured (RM) may be purchased for three thousand dollars (\$3,000.00) – *fair market value averaged \$30,000.*
3. The purchaser must enter into a Sales Agreement with the Town for each parcel of vacant land and submit a completed development permit application within six (6) months of signing to build a taxable improvement in accordance with LUB 921/21. Upon receiving development permit approval, the taxable improvement must be completed within twelve (12) months with the applicant having received all applicable discipline permits.

Failure to meet all development conditions will result in the titled parcel of land being immediately returned to the Town for the value in which the lot was purchased /ess any legal and administrative costs incurred. A 10% administration fee will be applied over and above all incurred costs.

- a. Example: a purchaser enters a Sales Agreement with the Town on June 1, 2023, applies for a development permit by December 1, 2023, receives development approval by January 31, 2024 – construction must be completed by January 30, 2025.
4. Purchasers are limited to the purchase of two (2) vacant properties to ensure development occurs. If development is progressing and vacant land remains available, the purchaser may acquire more parcels in increments of two (2). Development progression means that all permits have been obtained, there is a foundation, and construction is active at the site.
 5. A municipal tax credit is applied to the developed property (at occupancy) based on an improved property assessment. The property assessment is determined by the Town's assessor. Property assessment is not fair market value.

To be eligible for the municipal tax credit, the property's assessment must reach a minimum of 150,000 for a single-family unit/dwelling (SFD) (land and improvements) and a minimum of 250,000 for a multi-family unit dwelling (land and improvements) as shown in Table 1.

Property Assessment	Tax Credit Applied
SFD – minimum assessment 150,000	\$10,000
Multi-unit dwelling – minimum assessment 250,000	\$10,000

Table 1. Development Incentive Chart

6. The applicant must obtain a development permit from the Town and submit plans in accordance with the LUB 921/21.
 - a. Development permit fees will be waived.
7. The applicant must obtain all discipline permits from Superior Safety Codes as a condition of the development permit.
 - a. Discipline permit fees are payable directly to Superior Safety Codes.
8. Where the property requires updated municipal utility services, the cost to upgrade the municipal utility service is the responsibility of the applicant. The applicant shall enter into a Development Agreement with the Town.
9. The purchaser is responsible to develop the vacant lands in accordance with the Sales Agreement. The entity may not purchase the land and flip it for a direct profit. A taxable

improvement must be built prior to the sale or transfer unless there is written agreement with the Town.

10. Development must result in taxable improvements only. Non-taxable improvements such as farm buildings, schools, and churches are not eligible.
11. All developments must be of high quality in accordance with the LUB 921/21.
12. To be eligible for the vacant land development incentive, the applicant must be in good standing with the Town.
13. Town development incentives are stackable. This means, for example, an applicant can stack this policy with the Backyard Suite Development Incentive, pending the development is on the same parcel of land.
14. The CAO shall administer all development incentives. The CAO shall provide a written report to council each month related to the administration of this policy where applicable. Council shall pass a motion for each municipal tax credit applied to each property sold and developed under this policy, each year until the municipal tax credit is fully expended.
15. Any unique developments may be referred to council for further consideration.
16. Fair market value will be re-instated on all remaining vacant land at the end of the policy term.

Fair Market Value

To protect the integrity of the Town's market value there is an understanding between the assessor, the municipality, and the ratepayers that these sales are not a good indication of market value and are excluded from the market value analysis (e.g. vacant land sales in accordance with this policy will not be able to skew the market value by +/- 80% because they are not considered good indicators of market value).

A good indication of market value would be a transaction between a willing seller and a willing buyer free from external influences. When the Town sells a lot at a significant discount to market value, there is an external influence that exists in that the municipality is the only entity that can recover the loss on the sale through taxation of the improvements that are then built on the lot. The assessor will continue to rely on other private-to-private transactions to provide their indications of market value in Bassano.

Supporting Plans

1. Town of Bassano Strategic Plan 2019-2026
2. Economic Enrichment Strategy 2021
3. Intergenerational and Multigenerational Tiny Home Pilot Project 2020
4. Municipal Development Plan 910/20

5. Land Use Bylaw 921/21
6. Policy P-TOB66/003-22
7. Beautify Bassano Initiative 2018

END OF POLICY

Amended